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FORMER ELECTED DISTRICT ATTORNEY OF WINNEBAGO COUNTY, WISCONSIN, PLEADS GUILTY TO ACCEPTING BRIBES TO FIX CASES

WASHINGTON, D.C. – Assistant Attorney General Christopher A. Wray of the Criminal Division announced today that Joseph F. Paulus, the elected District Attorney of Winnebago County, Wisconsin, from 1989 to 2003, pleaded guilty at federal court in Green Bay to charges of accepting bribes to fix cases and filing a false tax return.

Paulus, 44, of Oshkosh, Wisconsin, entered the plea this morning before Judge William Griesbach of the U.S. District Court for the Eastern District of Wisconsin. Paulus faces a maximum penalty of up to eight years in prison, a three-year term of supervised release, and a fine of \$600,000. Sentencing is scheduled for July 22, 2004.

Paulus admitted as part of his plea that he took bribes from a defense attorney in return for Paulus's use of his official position as District Attorney to provide the attorney's clients with favorable treatment. Paulus received one-half of the attorney's client fees as payment for the concessions that he made to the clients. The concessions included dismissing cases, reducing charges, returning seized property, and requesting that another county's District Attorney give lenient treatment to one of the attorney's clients. Paulus took approximately \$48,050 in bribes from the attorney in about 22 criminal and traffic cases. Paulus further admitted that he failed to declare this money on his tax returns.

Paulus admitted that, in a case in which a defendant was arrested for possessing marijuana plants and marijuana-growing equipment and was charged with the felony of manufacturing marijuana in the amount of more than 50 plants, he accepted a cash payment of \$3,750 from the defense attorney in exchange for personally approving a misdemeanor plea offer. In another case, a defendant who had a blood-alcohol concentration of 0.18% at the time of arrest was charged with third-offense Operating While Intoxicated, a charge which carries mandatory jail time. In exchange for a \$2,500 payment from the attorney, Paulus reduced the charge to reckless driving, such that the defendant was fined, but did not go to jail.

Another prominent member of the Winnebago County legal community was charged today in U.S. District Court in Green Bay. The government filed an information charging Milton Schierland, 47, of Oshkosh, Wisconsin, with Filing a False Tax Return. According to a plea agreement, which Schierland has signed and which was also filed today, for the tax years of 1997 to 2000, Schierland failed to report over \$150,000 of income that he had received as an attorney. As a result, he failed to pay over \$50,000 in taxes.

The United States Attorney for the Eastern District of Wisconsin is recused in this matter. This case is being prosecuted by Trial Attorneys Howard Sklamberg and Noah Bookbinder of the Public Integrity Section, headed by Noel L. Hillman, Chief, and is the product of a lengthy investigation conducted by the Federal Bureau of Investigation and the Criminal Investigations Division of the Internal Revenue Service.